BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application for Approval of Affiliated Interest Agreement Between Wisconsin Electric Power Company and Wisconsin Gas Company

05-AG-100

NOTICE OF INVESTIGATION

THIS IS AN INVESTIGATION pursuant to Wis. Stat. § 196.52, to consider the July 31, 2002, request of Wisconsin Electric Power Company (WEPCO) and Wisconsin Gas Company (WGC) for approval of an affiliated interest agreement between WEPCO and WGC. The affiliated interest agreement is to allow the two companies to move natural gas supplies between the companies' existing distribution systems at designated interconnections to optimize the use of existing contracts with the Guardian Pipeline (Guardian).

WEPCO and WGC are affiliates under Wis. Stat. § 196.52(1) and are wholly-owned subsidiaries of Wisconsin Energy Corporation (WEC).

Under the proposed agreement the gas utility units of WEPCO and WGC may use designated interconnections between the two utilities' distribution systems to move natural gas from one company to the other. This will be done to optimize gas commodity, capacity and related services purchases with Guardian Pipeline. The exchanges will be compensated at the selling company's full cost.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

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Questions regarding this matter may be directed to docket coordinator (608) 267-9859.	Jodee Bartels at
Dated at Madison, Wisconsin,	
By the Commission:	
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Lynda L. Dorr	
Secretary to the Commission	
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